(b) if so, the details thereof;

(c) whether Government are contemplating any restructuring of the regulatory functions of DCA alongwith investing a greater degree of independence to it because there may be conflict of interest between administrative and regulatory functions; and

(d) if so the details thereof and if not, the reasons therefor?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) and (b) the Naresh Chandra Committee has observed that the physical strength of the Department has not kept pace with the increased strength of companies in India.

(c) and (d) No such proposal is under consideration at present.

Double taxation avoidance treaty with Mauritius

44. SHRI NILOTPAL BASU: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) the fund invested in Indian Capital Market by Companies based in Mauritius during the last three years, year-wise and Company-wise;

(b) whether it is a fact that since Mauritius does not have a capital gains tax this rout becomes a major inducement for denying legitimate revenue to India, given our Double Tax Avoidance Agreement with Mauritius;

(c) whether Government are contemplating re-negotiating the clauses and raising this in Joint working group with Mauritius since this was made possible due to Mauritius Overseas Business Activity Act which was post-DTAA; and

(d) if so, details thereof, if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a) No such country-wise data is maintained by Reserve Bank of India.

(b) Under Indo-Mauritius Double Taxation Avoidance Convention

(DTAC), income from capital gains on sale/purchase of shares is taxable in the country of residence of the investor and this benefit is available to residents of both the countries. As such, benefits availed by residents of Mauritius under the Treaty do not amount to denial of legitimate revenue to India.

(c) and (d) No, Sir. However steps have already been taken to ensure effective exchange of information to prevent abuse of Indo-Mauritius DTAC.

Misappropriation of funds for population control

† 45. SHRIMATI SAVITA SHARDA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government are aware that the financial assistance provided by Government to States for population control is being misappropriated;

(b) if so, the details thereof;

(c) whether Government propose to take any action against such States; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The Ministry of Health and Family Welfare provides financial assistance to the State Governments for Population Control. Ministry of Finance provides Central assistance to State Governments under State Plan. For propriety of utilization of the financial assistance, the State Governments are responsible to their respective State Legislatures.

(b) to (d) does not arise.

Seizure of heroin in Madurai

46. DR. AKHILESH DAS: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

† Original notice of the question was received in Hindi.